

•

STATE OF ARIZONA

CITIZENS CLEAN ELECTIONS COMMISSION

In the Matter of: MUR No.: 04- 0076

Ken Cheuvront, SETTLEMENT AGREEMENT

Respondent.

Pursuant to A.R.S. § 16-957(A), the Citizens Clean Elections Commission ("Commission") and Ken Cheuvront, a participating candidate for State Senate, District 15, (hereinafter "Respondent") agree to enter into a public administrative settlement of this matter in the manner described below:

- The Commission finds that the Respondent unintentionally and unknowingly violated
 R2-20-109 of the Citizens Clean Elections Commission rules.
- 2. On August 25, 2005, the Commission found reason to believe that the Respondent may have violated the Act by exceeding the limit on expenditures of personal monies (A.R.S. § 16-941 (A)(2)), making expenditures in excess of the amount of cash on hand prior to qualifying for clean elections funding (A.A.C. R2-20-104 (D)(6)), and failing to comply with reporting requirements established by the Commission (A.A.C. R2-20-109(C)).
- 3. In making its August 25, 2005, reason to believe finding, the Commission considered information that Respondent's original Pre-Primary campaign finance report identified an expenditure made August 3, 2004, of \$330.00 to the U.S. Post Office for stamps for mailers. That report was subsequently amended, the expenditure to the Post Office was eliminated, and an expenditure on August 31, 2004, of \$330.00 to Bank of America for stamps for mailers appeared. In the amendment Respondent failed to comply with reporting requirements prescribed in A.A.C.

R2-20-109. The purchase of stamps on August 3 was an expenditure on August 3 whether payment was made with cash or with a credit card.

- 4. The Respondent and his counsel have met with the Commission's investigator, have responded to all the investigator's questions and requests for documents, and have furnished an affidavit of the President of the firm which did the printing of Respondent's mailers.
- 5. On January 17, 2006, the deposition testimony of Mr. Wally Straughn was taken by the Commission. The Respondent and Mr. Straughn conducted a joint campaign during the 2004 primary election and the mailers in question were purchased directly. The deposition testimony did not establish any violation of the Act by Respondent.
- Respondent stipulates that he did not knowingly or intentionally violate the Act or Commission Rules.
- 7. Respondent waives any right he may have under A.R.S. § 41-1092, including the right to a hearing or appeal in this matter, and agrees with the Commission to an informal settlement of this matter.
- WHEREFORE, the Commission enters the following orders in lieu of any other action regarding this matter:
- Respondent agrees to pay \$250.00 to the Citizens Clean Election Commission within 30 days of the date of this Settlement Agreement.
- 2. Respondent acknowledges that the Commission has the authority to fine Respondent up to \$500.00 pursuant to A.A.C. R2-20-104 (H).
- 3. The Commission declines to impose the maximum penalty based on the following reasons:

1 Respondent cooperated fully with the audit, investigation and resolution of this 2 matter; 3 Absence of a prior enforcement action before the Commission; and 4 Respondent made a good faith effort to comply with the Act, and attended a 5 Commission-sponsored training class on July 20, 2004. 6 Accordingly, the Commission orders that all proceedings commenced by the Commission 7 be terminated and the matter be closed upon payment of the civil penalty. This agreement is 8 subject to final approval by the Commission during its January 26, 2006, meeting. 9 10 Dated this ____ day of January, 2006 11 12 By: 13 L. Gene Lemon 14 15 By: 16 Ken Cheuvront 17 Original filed this day 18 Of January, 2006, with: 19 Campaign Finance Manager Citizens Clean Elections Commission 20 1616 West Adams, Suite 110 Phoenix, Arizona 85012 21 Copy of the foregoing sent via 22 Federal Express this____ day of January, 2006 to: 23 Ken Cheuvront 24 3312 No. 11th Avenue 25 Phoenix, AZ 85013